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Libyan Links to Billy Carter Reported Part of Wide Plan

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WASHINGTON, July 22 — Libya's ties with Billy Carter are part of an extensive, covert Libyan plan to gain political influence in the United States through labor unions, black organizations, oil companies and politically important individuals, according to American intelligence reports.

The plan, according to senior intelligence officials, calls for the Libyan Government to befriend organizations and individuals to enlist their help in promoting Libyan interests here, and in some cases, to make secret payments to them.

The Libyans' objectives, according to these officials, include gaining possession of military and civilian aircraft that they have purchased but not received because of a State Department ban on such exports to the anti-Israeli regime of Col. Muammar el-Qaddafi, which has supported terrorist groups in the Middle East. They said concerted efforts by Libya to obtain release of the aircraft could be traced back at least four years.

The Libyan Government also would apparently like to see a general improvement in relations with the United States, which has had no Ambassador in Tripoli for two years, and no official representative there since last May.

Oil Exports as Leverage

To achieve these goals, the officials said, the Libyans were prepared to use their oil and oil income to gain friends among special interest groups in the United States, officials said.

In the case of the oil companies, the officials said, Libya hopes to use oil exports as a form of leverage, increasing allocations to American companies in exchange for political help with its problems here.

"They are looking for help anywhere they can get it or buy it," said one intelligence official. "Billy Carter is just part of a major campaign to win friends and influence people."

The intelligence officials said the Libyan effort differed sharply from traditional efforts of foreign governments to gain a sympathetic hearing in the United States. The covert nature of the Libyan effort, and its contemplated use of secret payments, makes it potentially illegal as well as unusually brazen, they said.

They said, however, that there was no hard evidence of covert payments having been made to date, nor proof of any other illegal activity. They also noted that the Government has made no concerted effort to track Libyan ties here.

Billy Carter has acknowledged receiving \$220,000 from Libya, but has characterized it as a loan extended without formal documents. The Justice Department has characterized it as payment for "propaganda" work and service as a commercial intermediary. Discovery of the payment led the President's brother to register as an agent of the Libyan Government under a law that requires such registration when an American represents the interests of a foreign government.

Among other targets of the Libyan effort, the officials said, were the Charter Oil Company and Operation PUSH, a Chicago-based self-help organization headed by the Rev. Jesse L. Jackson, the civil rights leader. There is no indication that they received payments or favors from the Libyan Government, however.

Park L. Beeler, vice president of Charter Oil, said that Libya at no time had asked for political or other favors in return for oil allocations, which have decreased recently as Libya has lowered production and cut allocations across the board. Mr. Jackson could not be reached, and a spokesman for Operation PUSH said any comment on the matter would have to come from him.

A partial outline of the Libyan plan was contained in intelligence reports that were widely circulated within the intelligence community and high levels of the executive branch in March, the officials said.

They said the report, based on intelligence gathered in the field, did not name the President's brother as a recipient of Libyan payments, but did describe an individual with important political ties who was in financial difficulty and in communication with the Charter Oil Co.

Billy Carter, who has acknowledged financial difficulty and who has said Charter Oil agreed to pay him a commission for helping it obtain Libyan oil, presumably would fit that description.

The existence of the report, and its wide circulation within the government, has raised speculation that officials with access to the report in the White House might have connected the description to the President's brother.

Early Warning Suspected

The sequence of events involving Mr. Carter's eventual registration as a foreign agent last week has led some Justice Department officials to suspect that the President's brother was warned, in advance of official notification, that the department had discovered the \$220,000 payment.

The White House disclosed today that Zbigniew Brzezinski, the President's national security adviser, received an intelligence report in March that Billy Carter was involved in a Libyan oil transaction. According to a White House statement, Mr. Brzezinski advised the President's brother "that he should not engage in any activity that could cause embarrassment to the Administration."

According to the statement, Mr. Brzezinski "subsequently" informed the President. But neither Mr. Brzezinski nor the President, the statement said, had any other information about financial transactions between Billy Carter and Libya until July 14, when the President's brother registered as a foreign agent.

The intelligence reports also indicate that Libyan officials believed they could get support from labor unions. Intelligence officials declined to identify unions that were targeted, but said some whose members handle Middle Eastern goods and trade were involved.

Several years ago Libya made an apparent effort to gain sympathy from Senator Frank Church, the Idaho Democrat who is chairman of the Foreign Relations Committee, by trying to arrange a deal to purchase \$30 million worth of wheat from Idaho farmers.

Independent oil companies other than Charter also were considered as targets of the plan for manipulating allocations in return for favors, the officials said, but such major concerns as Exxon and Mobil apparently were not included.